



STATISTICS IN FOCUS

Economy and finance

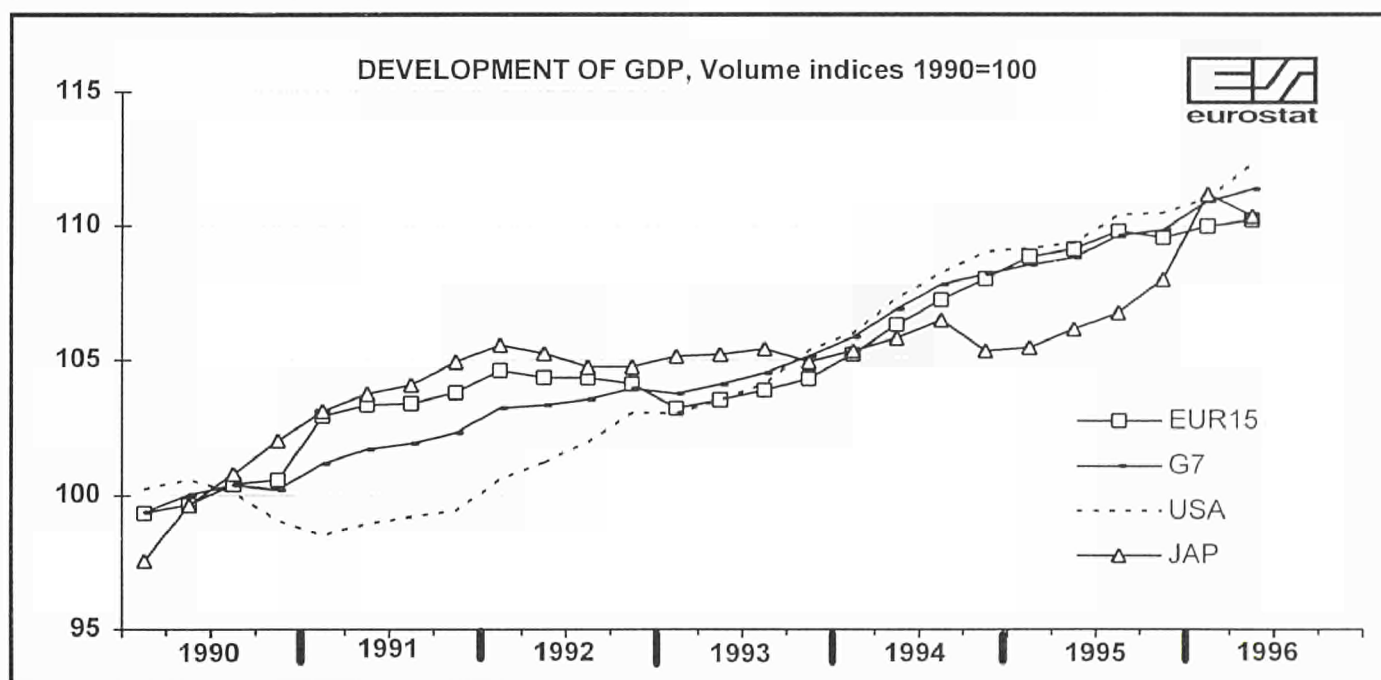
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Quarterly Accounts - Second Quarter 1996

Eurostat estimates (*) show that the second quarter 1996 was characterised for the European Union as a whole by a slackening in the economic growth rate (GDP +0.3%). The slight growth was particularly sustained during the last quarter by investments (0.3 of the GDP variation) and by the external balance (0.6 of the GDP variation). With this result, the growth for the first half of 1996 compared to the same period of the previous year, reached 1.1%.

A comparison on a quarterly basis with the Union's most important economic partners shows that the United States economy accelerate its phase of growth (+1.2%) whereas Japan recorded a notable weakening (-0.7%) after its strong growth of the previous quarter. The members of G7 have continued to accelerate their growth but at a slower pace (+0.4%).



* Methodological Note: The data for EUR 15 are calculated in a coherent and consistent framework using all available data coming from the Member States which compile quarterly accounts.

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THE EVOLUTION OF GDP AND ITS COMPONENTS

The European Union and its principal partners

During the second quarter of 1996, the Union economy and those of its principal partners developed positively, except Japan.

The European Union recorded a slackening in the economic growth (+0.3%*) after the acceleration of the first quarter. The United States grew at an accelerated pace (+1.2%), whereas Japan recorded a notable weakening (-0.7%) after the strong acceleration in the first quarter. Canada grew at the same pace (+0.3%) of the previous quarter, Australia recorded a slackening in its economic growth (+0.2%) whilst Switzerland still persists in a negative phase (-0.2%).

The effects of both the downturns of some European economies (France and Italy) and Japan and the acceleration of the American and German economies, drive the G7-States to a slackening growth of +0.4%.

On a half year basis, the European Union recorded a slowdown of the economic growth (+1.1%) as well as Canada (+0.9%) with respect to the corresponding half year of the previous year. By contrast, the United States (+2.2%), Australia (+5.1%) and especially Japan (+4.7%) recorded an acceleration. Only Switzerland had a counter-trend and continued to record an easing off (-0.5%).

In the European Union, the growth of private consumption slowed down (+0.2%) with respect to the previous quarter, as well as in Switzerland (+0.3%) and in Australia (+0.5%). It remained virtually the same in the United States (+0.8%). In Canada a stagnation occurred (+0.1%) whereas Japan recorded a shallow downturn (-1.3%).

As far as gross fixed capital formation is concerned, the European Union recorded a recovery (+1.6%) after the downturn of the first quarter. Slowdowns occurred in the United States (+1.8%) and Japan (+1.7%), while Canada (-0.7%) and Switzerland (-0.7%) recorded a downturn.

In general, the increase in stocks continued in all the economic areas observed, with Canada (-0.9% of GDP) and Switzerland (-1.3% of GDP) providing the exceptions due to the relative weakness of the final demand, especially of consumption goods.

The trade surplus of the European Union (+2.1% of GDP) continued to increase due both to the growth of exports (+0.5%) and, in particular, to the decrease of imports (-1.3%). By contrast the further deficit recorded in the United States (-2.0% of GDP) was caused, above all, by the increasing of imports (+2.3%). In

Japan, the effects of the recovery in exports (+1.0%) and the strong increase in imports (+2.6%) generated an equilibrium in the external balance (0.0% of GDP). Canada (+3.0% of GDP) and Switzerland (+1.9% of GDP) increased their trade surpluses, whereas Australia recorded a deficit (-0.3% of GDP).

The Member States

Among the Member States, Germany recorded a growth that reached +0.9% after the downturn of the first quarter. Denmark (+1.0%), The Netherlands (+1.3%) and Sweden (+0.5%) recorded an accelerated growth pace, while in Spain (+0.6%) and in the United Kingdom (+0.5%) the growth rates remained virtually stable. France (-0.4%) and Italy (-0.4%) experienced a downturn.

Among the components of domestic demand, a slackening in the growth of private consumption was to be observed in most of the Member States, except Spain (+0.6%) and Sweden (+0.3%). Finland (-0.4%) and, in particular, France (-0.8%) recorded a downturn. A similar situation characterised the gross fixed capital formation in these two countries (respectively, -1.5% and -0.5%). By contrast, in Germany (+4.2%), Denmark (+2.9%) and Italy (+0.6%), the gross fixed capital formation recorded a recovery after the easing off of the first quarter. Investments in the United Kingdom (+2.9%) and in Sweden (+4.0%) continued to accelerate their period of expansion, while in Spain (+0.4%) a slackening is recorded.

As far as the external trade is concerned, a trend towards further consolidation of surpluses may be observed in all countries with the exception of the United Kingdom (-0.5% of GDP), where the surplus decreased. In particular, Italy's surplus increased (+5.5% of GDP) due to the decreasing of imports (-4.5%), while in Denmark it increased (+6.5% of GDP) due to the augmentation of exports (+1.3%). The consolidation of the Swedish (+8.6% of GDP) and the Finnish (+9.3% of GDP) surpluses is the result of both the augmentation of exports (Sweden +3.9%, Finland +7.3%) and the decrease of imports (Sweden -0.9%, Finland -6.9%).

* The variation rates of the European Union which are published in this statistics in focus are revised with respect to those published in statistics in focus n° 9/96. The latter were based on a restricted information set with respect to that used in this statistic and were influenced by the first estimations that some countries revised later. The amplitude of revisions, in any case, is quite small (for example for GDP the amplitude of the actual revision is of 0.08 percentage points).

MAIN ECONOMIC AREAS AND PARTNERS AND EU MEMBER STATES

EVOLUTION OF GDP AND COMPONENTS



PERCENTAGE CHANGE OVER PREVIOUS PERIOD

IN VOLUME

	GDP				Private consumption				Government consumption				Gross fixed cap. format.				Change in stocks ⁽¹⁾				Domestic demand				Exports				Imports				External balance ⁽¹⁾			
	95		96		95		96		95		96		95		96		95		96		95		96		95		96		95		96		95		96	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2

I) ECONOMIC AREAS

EUR15 ⁽²⁾	0.38	0.00	0.47	0.30	0.10	0.13	0.94	0.22	0.48	0.07	0.24	0.12	0.54	-0.21	-0.88	1.64	0.92	0.88	0.82	0.08	0.54	0.01	0.39	-0.27	0.68	0.22	1.11	0.49	1.24	0.27	0.88	-1.31	1.51	1.49	1.57	2.13
G 7	0.63	0.28	0.98	0.42	0.52	0.27	1.24	0.20	0.09	-0.38	0.52	0.82	0.74	1.39	1.99	1.74	0.58	0.45	0.33	0.06	0.63	0.28	1.17	0.35	1.03	1.02	0.42	0.62	1.04	1.06	1.46	0.22	0.00	0.00	-0.19	-0.12

II) MAIN ECONOMIC PARTNERS

USA	0.94	0.06	0.50	1.18	0.60	0.26	0.86	0.84	-0.11	-0.80	-0.16	2.03	1.17	0.30	2.62	1.80	0.52	0.21	-0.03	0.11	0.61	-0.19	0.79	1.33	2.59	2.57	0.45	1.18	-0.01	0.40	2.56	2.27	-1.81	-1.55	-1.84	-2.00
JAP	0.57	1.17	2.92	-0.73	1.16	0.63	2.40	-1.27	0.25	-0.38	3.31	-1.34	1.05	4.47	4.60	1.65	0.22	0.29	0.39	0.21	1.12	1.75	3.26	-0.55	-1.60	1.26	-1.80	0.99	3.02	6.45	0.88	2.59	1.12	0.55	0.21	0.03
CAN	0.30	0.23	0.33	0.32	0.63	0.01	1.26	0.06	-1.20	-0.29	-0.47	0.27	-1.32	1.62	2.87	-0.71	0.50	0.18	-0.22	-0.92	-0.46	-0.29	0.77	-1.08	2.58	2.95	-0.39	1.59	1.12	2.29	1.01	-1.43	2.13	2.41	1.91	2.99
AUS	2.49	-0.23	2.17	0.20	1.08	1.10	1.29	0.54	-3.18	4.33	0.24	-1.06	1.19	-3.70	5.89	0.55	1.36	0.14	0.10	0.90	0.93	-0.14	2.03	0.76	4.63	2.87	6.40	-1.11	-0.75	0.99	5.81	2.77	0.02	0.42	0.57	-0.30

III) MEMBER STATES

D	0.19	0.05	-0.09	0.92	-0.16	0.12	0.69	0.63	1.26	0.15	1.25	0.35	-0.36	-1.18	-3.83	4.15	1.11	1.19	1.54	0.44	-0.03	-0.09	0.12	0.23	1.25	1.56	-0.21	0.16	0.41	1.03	0.54	-2.36	-0.29	-0.15	-0.36	0.33
F	0.16	-0.44	1.13	-0.35	-0.01	-0.29	2.44	-0.78	0.40	0.36	0.54	0.51	1.84	-0.30	-0.14	-0.55	0.30	-0.28	-1.21	-0.75	0.76	-0.75	0.61	-0.02	-1.25	-0.88	3.50	-2.00	1.03	-2.18	1.55	-0.79	1.53	1.84	2.35	2.02
I	0.61	0.08	0.42	-0.41	0.44	-0.03	0.29	0.20	-0.06	-0.43	-0.24	0.10	0.97	1.46	-0.61	0.62	0.89	1.44	1.54	-0.04	1.16	0.76	0.13	-1.40	-0.27	-2.77	-0.05	-0.24	1.87	-0.56	-1.39	-4.47	4.92	4.28	4.56	5.51
UK ⁽³⁾	0.55	0.35	0.59	0.54	0.01	0.64	0.91	0.85	0.11	0.12	0.28	0.17	-1.60	0.13	1.69	2.94	1.16	1.08	1.08	0.29	0.28	0.35	0.89	0.31	3.15	0.56	2.04	2.45	2.16	0.59	3.09	1.47	-0.49	-0.50	-0.82	-0.54
DK	0.95	-0.39	0.63	1.02	0.88	0.29	0.73	0.29	0.34	0.34	0.68	0.68	2.03	2.49	-0.49	2.93	1.18	0.87	-0.81	-0.82	1.22	0.33	-1.25	0.81	0.00	1.38	2.04	1.33	0.59	3.74	-3.04	0.78	5.23	4.55	6.34	6.53
E	0.40	0.36	0.57	0.55	0.40	0.43	0.47	0.58	0.31	0.19	0.06	0.04	0.53	0.05	0.66	0.39	0.23	0.24	0.28	0.31	0.41	0.32	0.48	0.48	1.95	2.30	2.62	1.92	1.96	2.12	2.26	1.66	-0.30	-0.26	-0.17	-0.11
NL	0.22	0.31	0.92	1.34	0.35	-0.18	1.72	:	0.30	-0.50	3.14	:	-3.28	-2.04	0.13	:	0.37	1.96	-1.02	:	1.64	-0.02	-1.05	:	-2.81	1.00	4.10	:	-1.58	2.42	0.09	:	6.12	5.41	7.76	:
P	-0.77	5.02	:	:	0.66	0.02	:	:	0.71	0.68	:	:	-7.57	5.77	:	:	1.29	1.41	:	:	-0.72	1.73	:	:	0.19	5.55	:	:	0.10	-1.35	:	:	-11.04	-7.57	:	:
A	-0.38	-0.07	:	:	0.19	-0.31	:	:	1.77	-4.07	:	:	-2.67	1.28	:	:	1.69	1.75	:	:	-0.56	-0.54	:	:	-0.37	0.35	:	:	-0.80	-0.74	:	:	-1.78	-1.31	:	:
S	0.58	-0.32	0.37	0.53	0.36	0.20	0.18	0.09	0.54	-0.79	-2.28	-0.86	5.45	1.81	3.40	3.64	-0.66	-0.82	-1.08	-2.17	0.56	0.02	-0.24	-0.71	1.43	0.59	1.31	2.30	1.56	1.71	-0.13	-0.64	6.94	6.62	7.18	8.32
FIN	0.31	-0.22	1.04	0.30	-0.37	0.88	1.35	-0.40	0.12	1.36	-1.36	0.82	4.78	-6.65	5.79	-1.47	5.05	3.90	6.22	2.46	2.38	-1.64	4.00	-4.23	-5.63	4.58	-6.18	7.27	-0.56	0.85	1.67	-6.91	6.37	7.70	5.00	9.29

III) EFTA

CH	-0.04	0.02	-0.22	-0.26	-0.57	-0.35	0.47	0.34	-0.29	0.21	-0.64	0.19	0.07	0.83	1.43	-0.75	-0.56	0.38	-0.48	-1.29	-1.22	1.00	-0.29	-0.79	0.98	0.40	0.81	-0.68	-1.95	2.91	0.65	-1.99	2.25	1.28	1.36	1.88
N	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:

(1) Percentage of GDP (S A)

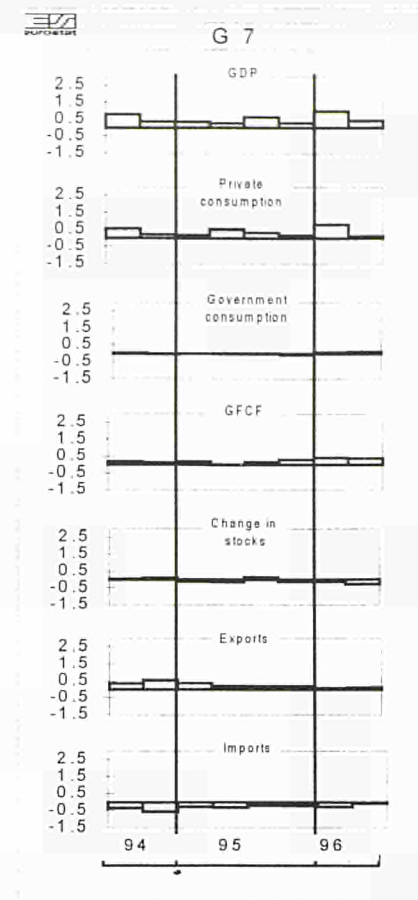
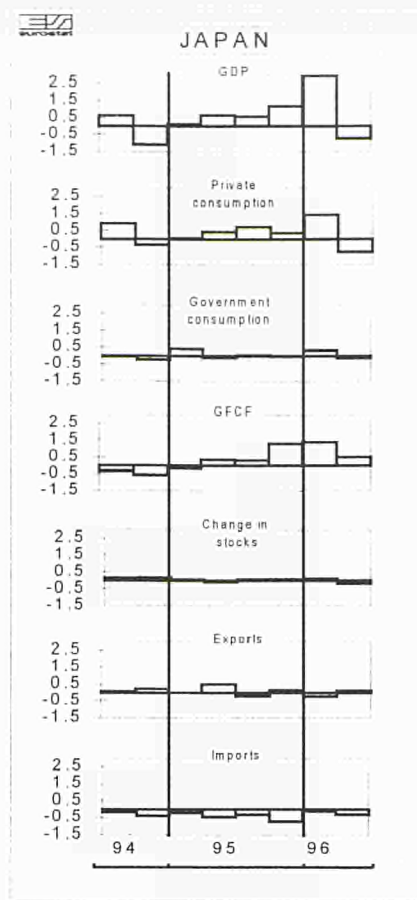
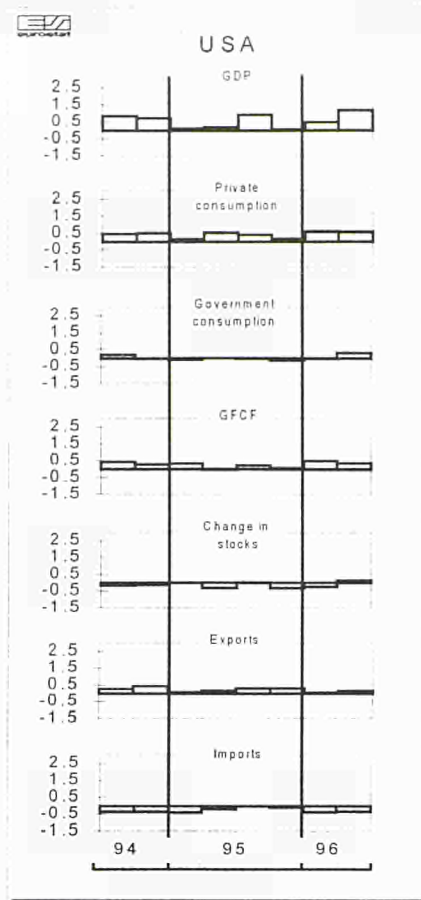
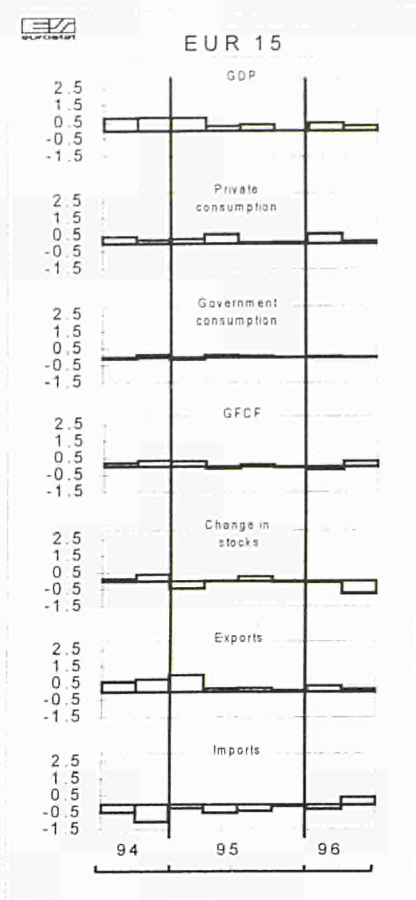
(2) The EUR15 aggregates are estimated by EUROSTAT in a statistical framework using information from countries which compile Quarterly Accounts

(3) The aggregates produced by the United Kingdom are not totally compatible with those defined by ESA 79.

(*) Preliminary estimate

CONTRIBUTION OF THE COMPONENTS TO GDP VARIATIONS (*) - CONSTANT PRICES - T/T-1

eurostat	GDP				Private consumption				Government consumption				Gross fixed cap. format.				Change in stocks				Exports				Imports			
	95		96		95		96		95		96		95		96		95		96		95		96		95		96	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
EUR15	0.38	0.00	0.47	0.30	0.06	0.08	0.59	0.14	0.08	0.01	0.04	0.02	0.11	-0.04	-0.18	0.33	0.29	-0.04	-0.06	-0.76	0.22	0.07	0.37	0.16	-0.39	-0.09	-0.28	0.42
USA	0.94	0.06	0.50	1.18	0.41	0.18	0.58	0.57	-0.02	-0.12	-0.03	0.31	0.22	0.06	0.48	0.34	0.02	-0.30	-0.24	0.14	0.31	0.31	0.06	0.15	0.00	-0.06	-0.37	-0.34
JAP	0.57	1.17	2.92	-0.73	0.69	0.37	1.43	-0.75	0.02	-0.04	0.30	-0.12	0.31	1.32	1.40	0.51	0.08	0.08	0.11	-0.18	-0.20	0.15	-0.22	0.12	-0.33	-0.72	-0.10	-0.30
G 7	0.63	0.28	0.98	0.42	0.33	0.17	0.79	0.13	0.01	-0.06	0.08	0.12	0.16	0.29	0.42	0.37	0.13	-0.12	-0.12	-0.27	0.19	0.19	0.08	0.11	-0.19	-0.19	-0.27	-0.04



* Contributions to change in GDP are calculated by expressing changes in the components compared with the previous quarter as a percent of GDP in the reference period